

Dear State CSBG Administrators,

### **Extension of Unemployment Insurance (UI) Benefits and other Safety Net Measures**

House-Senate negotiators finally unveiled their long-awaited tax-extenders/social safety-net bill on Thursday, but House floor consideration of the measure has been postponed until next week. The package could total somewhere in the neighborhood of \$200 billion, with only about \$56 billion of that cost being offset by other provisions. The core of the measure (HR 4213) would renew through the end of this year dozens of business and individual tax breaks that expired at the end of 2009, and **extend through December long-term unemployment benefits and federal COBRA health care subsidies for jobless workers** — these key social safety-net policies are scheduled to expire at the end of next week.

Many Democrats remain wary of the bill's costs and impact on the deficit, although House Speaker Nancy Pelosi (D-CA) said she believed there would be enough votes to pass the measure in the House. In contrast, it remains unclear whether Senate Democrats will be able to muster the 60 votes they will need to advance the package.

As a major must-pass bill, Congressional leaders want to use the tax extenders/safety net bill to complete action on a number of other policies and have tucked in dozens of other provisions they say will help families and small businesses. Among those tucked in provisions are \$1 billion for summer youth jobs and \$2.5 billion to extend through fiscal 2011 the Temporary Assistance for Needy Families (TANF) emergency fund created by last year's economic stimulus law.

*(Source: Congressional Quarterly)*

We will keep you informed as things progress.